

**WEBSTER PARISH CLERK OF COURT**  
Minden, Louisiana

*Financial Statements*

June 30, 2014

**WEBSTER PARISH CLERK OF COURT**  
Minden, Louisiana

Financial Statements  
As of and For the Year Ended June 30, 2014

Table of Contents

	<b>Page</b>
Independent Auditors' Report	1-2
Required Supplemental Information (Part I) Management's Discussion and Analysis	3-7
 <u>Basic Financial Statements</u>	
Government-Wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	10
Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Financial Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities	13

**Table of Contents (Continued)**  
**Webster Parish Clerk of Court**  
**Minden, Louisiana**

	<b>Page</b>
Fiduciary Funds:	
Statement of Fiduciary Net Position	14
Notes to the Financial Statements	15-26
Required Supplemental Information (Part II)	
Budgetary Comparison Schedule	27
Notes to Budgetary Comparison Schedule	28
Schedule of Funding Progress for Other Post Employment Benefit Plan	29
 <u>Other Reports</u>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	30-31
Schedule of Findings and Responses	32
Summary of Prior Audit Findings	33

**JAMIESON, WISE & MARTIN**  
**A Professional Accounting Corporation**

601 Main Street P. O. Box 897  
Minden, Louisiana 71058-0897  
(318) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA      Email [mike@jwmcpa.biz](mailto:mike@jwmcpa.biz)  
CARLOS E. MARTIN, CPA      Email [carlos@jwmcpa.biz](mailto:carlos@jwmcpa.biz)  
KRISTINE H. COLE, CPA      Email [kristine@jwmcpa.biz](mailto:kristine@jwmcpa.biz)

JENNIFER C. SMITH, CPA      Email [jennifer@jwmcpa.biz](mailto:jennifer@jwmcpa.biz)  
KRISTIE K. MARTIN, CPA      Email [kristie@jwmcpa.biz](mailto:kristie@jwmcpa.biz)

WM. PEARCE JAMIESON, CPA (1991)

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

Webster Parish Clerk of Court  
Minden, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Webster Parish Clerk of Court as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Webster Parish Clerk of Court's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the Webster Parish Clerk of Court, as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

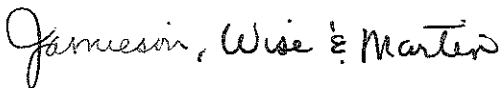
## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedule of funding progress for other post employment benefits on pages 3 through 7 and 27 through 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2014, on our consideration of the Webster Parish Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Webster Parish Clerk of Court's internal control over financial reporting and compliance.



Minden, Louisiana  
December 17, 2014

**WEBSTER PARISH CLERK OF COURT  
MINDEN, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The management discussion and analysis of the Webster Parish Clerk of Court's financial performance provides an overview of the Clerk of Court's financial activities for the year ended June 30, 2014, in an easily readable analysis. Please read it in conjunction with our financial statements, which begin on page 8. The financial statements have been audited as of June 30, 2014, and for the year then ended, as required by state law.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements that reflect the operations of the Clerk of Court as a whole and its individual funds. The Statement of Net Position and the Statements of Activities (on pages 8 and 9) provide information about the activities of the Clerk of Court as a whole and present a longer-term view of the Clerk of Court's finances. Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Clerk of Court's operations in more detail than the government-wide statements by providing information about the Clerk of Court's most significant funds.

**Reporting the Clerk of Court as a Whole – Government-Wide Financial Statements (GWFS)**

Our analysis of the Clerk of Court as a whole begins on page 8. The government-wide financial statements are designed to provide the reader with a broad overview of the Clerk of Court's finances in a format similar to that which would be employed by a private-sector business. They present the financial picture of the Clerk from an economic resources measurement focus using the accrual basis of accounting. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents information on the Clerk of Court's assets and liabilities, with the difference between the two reported as net position. One could think of net position as a measurement of financial health, or *financial position*. Over time, *increases* and *decreases* in the Clerk of Court's net position indicate whether the Clerk's *financial health* is improving or deteriorating.

The Statements of Activities reports how net position changed during the year.

**Reporting the Clerk of Court's Most Significant Funds – Fund Financial Statements (FFS)**

Our analysis of the major fund maintained by the Clerk of Court begins on page 10. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Clerk, like other state and local governments, uses fund accounting to satisfy compliance with finance-related legal requirements established by external parties or governmental statutes or regulations. The Clerk uses two categories of funds: 1) governmental funds and 2) fiduciary funds.

Governmental funds - All of the Clerk of Court's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* accounting method, which

measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Clerk of Court's general government operations and the expenses paid from those funds. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Clerk of Court expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in reconciliations on pages 11 and 13. The Clerk uses one governmental fund (the General Fund) to account for its operations.

Fiduciary funds - Fiduciary fund reporting focuses on net position and changes in net position, except in the case of agency funds. In the fiduciary category, the Clerk has only agency funds. The Advance Deposit and Registry of Court Funds account for assets held by the Clerk as an agent for litigants pending court action. These funds are custodial in nature and do not involve measurement of operations. The Statement of Net Position for the Clerk's agency funds can be found on page 14.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Clerk of Court's net position at June 30, 2014 and 2013 are summarized below.

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Current and other assets	\$ 517,280	\$ 494,322
Capital assets	<u>33,665</u>	<u>58,617</u>
Total assets	<u>550,945</u>	<u>552,939</u>
Other liabilities	45,878	63,282
Long-term liabilities	<u>321,977</u>	<u>263,025</u>
Total liabilities	<u>367,855</u>	<u>326,307</u>
Net position:		
Investments in capital assets, net of related debt	33,665	54,665
Unrestricted	<u>149,425</u>	<u>171,967</u>
Total net position	<u>\$ 183,090</u>	<u>\$ 226,632</u>

For the fiscal year ended June 30, 2014, the net position of the Clerk of Court's governmental activities decreased by \$43,542 or approximately 19%.

Cash and investments of \$463,037 and \$423,021 comprise the largest components of total assets as of June 30, 2014 and 2013, respectively. These amounts represent 84% and 76%, respectively, of total assets in both years. The net capital assets are comprised of non-liquid assets and cannot be utilized to satisfy the Clerk's obligations.

Long-term liabilities at June 30, 2014 include other post employment benefit obligation (OPEB) of \$309,134. More information on post retirement benefit costs can be found in Note 14 of the financial statements.

A condensed Statements of Activities is presented below.

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Revenues and extraordinary items:		
Program revenues		
Charges for services and licenses	\$ 1,346,505	\$ 1,353,923
Operating grants & contributions	41,000	41,000
General Revenues		
Interest earnings	410	514
Miscellaneous revenues	1,307	1,617
Sale of assets	17,062	-
Total revenues	1,406,284	1,397,054
Expenses:		
Personnel services and related benefits	1,082,077	1,043,804
Operating services	141,955	102,845
Materials and supplies	200,656	112,995
Interest on long term debt	73	412
Other expenses	25,065	33,381
Total expenses	1,449,826	1,293,437
Increase (decrease) in net position	\$ (43,542)	\$ 103,617

## THE CLERK OF COURT'S FUNDS

The general fund reported a fund balance of \$471,402 and \$471,048 as of June 30, 2014, and 2013, respectively. This represents an increase of \$354 of the fund balance for the year ended June 30, 2014. The details of these changes are presented in the Statements of Revenues, Expenditures, and Changes in Fund Balances on page 12.

The Clerk reported a decrease in amounts collected in regular fees for civil suits and criminal cases, however, overall revenues increased by \$13,168, when compared to last year. The overall increase reflects a full year of fee collections for processing birth certificates. At the end of the prior year, the Clerk was made responsible for handling the processing of birth certificates. This year, the Clerk collected \$59,795 in fees from processing birth certificates, while \$2,616 was reported in the prior year.

Total expenditures increased by \$131,943 as compared to last year. As stated previously, the Clerk of Court now handles processing birth certificates and must remit a portion of the fees charged to the public to the Vital Records Registry. Those remittances were \$40,715 for the year. Also, the Clerk has begun having records professionally scanned. The costs for scanning of historical documents for preservation and public access amounted to \$80,242 this past year.



## General Fund Budgetary Highlights

The Clerk of Court adopted a budget for its General Fund for the year ending June 30, 2014. The budget was amended once during the year. The budgetary comparison is presented as required supplementary information beginning on page 27.

Highlights of the General Fund budget for the year are as follows:

- For the year ending June 30, 2014, actual revenues were \$80,762 more than budgeted revenues.
- For the year ending June 30, 2014, actual expenditures were \$4,953 more than budgeted expenditures.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The following summarizes the Clerk's investment in capital assets at June 30, 2014 and 2013:

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
Furniture and fixtures	\$ 122,260	\$ 122,260
Equipment	322,039	317,989
Vehicles	<u>-</u>	<u>29,575</u>
Total capital assets	444,299	469,824
Less: accumulated depreciation	<u>(410,634)</u>	<u>(411,207)</u>
Net capital assets	33,665	58,617
Less: related debt	<u>-</u>	<u>(3,952)</u>
Invested in capital assets	<u>\$ 33,665</u>	<u>\$ 54,665</u>

Capital assets additions during fiscal year June 30, 2014 included a printer and a laptop. The 2009 Chevrolet Tahoe was disposed of during the year. Depreciation for fiscal year 2014 was \$25,065.

More detailed information about the capital assets is presented in Note 9 to the financial statements.

## Long-Term Debt

The following summarizes the Clerk's long-term debt activity:

	<u>Capital Lease Obligations</u>	
	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 3,952	\$ 10,438
Principal payments	<u>(3,952)</u>	<u>(6,486)</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 3,952</u>

Capital lease obligations consisted of a vehicle lease. The lease was terminated during the fiscal year. Other long term debt consists of a net obligation of \$309,134 for health care post-employment benefits and \$12,843 for compensated absences.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Clerk of Court's management considered many factors when setting a fiscal year June 30, 2015 budget. Increased expenses will continue due to steps the Clerk is taking to scan documents for preservation and ease of public access. Revenues will be reduced somewhat due to a decline in oil and gas activity.

## CONTACTING THE CLERK OF COURT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens and taxpayers with a general overview of the finances of the funds maintained by the Clerk of Court and to show the Clerk of Court's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Honorable Holli Vining, Webster Parish Clerk of Court, P.O. Box 370, Minden, Louisiana, 71058-0370.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Statement of Net Position  
June 30, 2014

	<u>Governmental Activities 2014</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 213,037
Investments	250,000
Accounts receivable	23,726
Due from other funds	27,767
Due from other governmental units	2,750
Total current assets	<u>517,280</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>33,665</u>
 TOTAL ASSETS	 <u>\$ 550,945</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 28,744
Accrued payroll taxes and withholdings	17,134
Total current liabilities	<u>45,878</u>
Noncurrent liabilities:	
Due within one year	12,843
Due in more than one year	309,134
Total noncurrent liabilities	<u>321,977</u>
 TOTAL LIABILITIES	 <u>367,855</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	33,665
Unrestricted	<u>149,425</u>
 TOTAL NET POSITION	 <u>\$ 183,090</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Statement of Activities  
For the Year Ended June 30, 2014

	Governmental Activities 2014
<b>EXPENSES</b>	
General government:	
Personnel services and related benefits	\$ 1,082,077
Travel and professional development	11,264
Operating services	130,691
Materials and supplies	200,656
Depreciation	25,065
Interest on long term debt	73
Total expenses	<u>1,449,826</u>
<b>PROGRAM REVENUES</b>	
Fees, charges and commissions -	
Civil suits	432,561
Juvenile fees	54,506
Court attendance	5,000
Criminal fees	54,276
Mortgage certificates	8,254
Notarial fees	235
Birth certificates	59,795
Candidate and election fees	5,619
Copies (certified and photocopy)	113,501
Online account services	84,503
Fees for recording legal documents -	
Recordings	476,250
Cancellations	41,465
Marriage licenses	10,540
Operating contributions - Webster Parish Police Jury	20,000
Operating contributions - Clerk's supplemental fund	21,000
Total Program Revenues	<u>1,387,505</u>
Net Program (Expense) Revenue	<u>(62,321)</u>
<b>GENERAL REVENUES</b>	
Interest	410
Miscellaneous	1,307
Sale of assets	17,062
Total general revenues	<u>18,779</u>
<b>CHANGE IN NET POSITION</b>	(43,542)
<b>Net Position - Beginning of year</b>	226,632
<b>Net Position - End of year</b>	<u><u>\$ 183,090</u></u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Balance Sheet  
Governmental Fund  
June 30, 2014

	<u>General Fund</u> <u>2014</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 213,037
Investments	250,000
Accounts receivable	23,726
Due from other funds	27,767
Due from other governmental units	<u>2,750</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 517,280</u></u>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	\$ 28,744
Accrued payroll taxes and withholdings	<u>17,134</u>
<b>TOTAL LIABILITIES</b>	<u>45,878</u>
Fund balance:	
Unassigned	<u>471,402</u>
<b>TOTAL FUND BALANCE</b>	<u>471,402</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 517,280</u></u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Government Wide Financial Statement of Net Position  
June 30, 2014

	<u>2014</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund Balance, Total Governmental Fund	\$ 471,402
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	33,665
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund:	
Compensated absences	\$ (12,843)
OPEB Obligation	<u>(309,134)</u> <u>(321,977)</u>
Net Position of Governmental Activities	<u>\$ 183,090</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT

Minden, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Fund

For the Year Ended June 30, 2014

	<u>General Fund</u> <u>2014</u>
<b>REVENUES</b>	
Fees, charges and commissions -	
Civil suits	\$ 432,561
Juvenile fees	54,506
Court attendance	5,000
Criminal fees	54,276
Mortgage certificates	8,254
Notarial fees	235
Birth certificates	59,795
Candidate and election fees	5,619
Copies (certified and photocopy)	113,501
Online account services	84,503
Fees for recording legal documents -	
Recordings	476,250
Cancellations	41,465
Marriage licenses	10,540
Intergovernmental revenues - Webster Parish Police Jury	20,000
Interest	410
Clerk's supplemental fund	21,000
Miscellaneous	1,307
Sale of assets	21,000
Total Revenues	<u>1,410,222</u>
<b>EXPENDITURES</b>	
General government:	
Personnel services and related benefits	1,055,131
Travel and professional development	11,264
Operating Services	134,741
Materials and supplies	204,706
Capital lease - principal	3,953
Capital lease - interest	73
Total Expenditures	<u>1,409,868</u>
Net change in fund balance	354
Fund balance -- beginning of the year	<u>471,048</u>
Fund balance -- ending of the year	<u><u>\$ 471,402</u></u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance of Governmental  
Fund to the Statement of Activities  
Year Ended June 30, 2014

Amounts reported for governmental activities in the Statement of Net Position are different because:

	2014
Net change in fund balance - total governmental fund	\$ 354
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays were less than depreciation expense in the current period.	(21,015)
The net effect of the various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position	(3,937)
Repayments of long term capital leases shown as expenditures in the fund financials but which reduce long term liabilities in the Government Wide Statement of Net Position	3,952
Some expenses reported in the Statement of Activities that do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Net other post-employment benefit obligation	\$ (65,015)
Obligation for back pay of Clerk's salary	35,958
Other liabilities	4,050
Compensated absences	<u>2,111</u>
	<u>(22,896)</u>
Change of net position of governmental activities	<u>\$ (43,542)</u>

The accompanying notes are an integral part of this statement.



WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Statement of Fiduciary Net Position  
Agency Funds  
June 30, 2014

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 333,255	\$ 248,117	\$ 581,372
Due from bank	-	34	34
Investments	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Total assets	<u>\$ 458,255</u>	<u>\$ 248,151</u>	<u>\$ 706,406</u>
LIABILITIES			
Due to other funds	\$ 27,767	\$ -	\$ 27,767
Due to other governments	4,771	-	4,771
Accounts payable	19,366	-	19,366
Unsettled deposits	<u>406,351</u>	<u>248,151</u>	<u>654,502</u>
Total liabilities	<u>\$ 458,255</u>	<u>\$ 248,151</u>	<u>\$ 706,406</u>

The accompanying notes are an integral part of this statement.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

**INTRODUCTION**

The Webster Parish Clerk of Court is an independently-elected parish official who serves a term of four years. Article V, Section 28 of the Louisiana Constitution of 1974 provides for the Clerk of Court to serve as ex-officio notary public, to record conveyances, mortgages and other acts, and to hold other duties and powers provided by law.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The Webster Parish Clerk of Court's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*. The more significant accounting policies established in GAAP and used by the Webster Parish Clerk of Court are discussed below.

**B. REPORTING ENTITY**

For financial reporting purposes, in conformance with Statement No. 14 of the Governmental Accounting Standards Board, the Clerk of Court includes all funds, activities, et cetera, that are within the oversight responsibility of the Clerk of Court as an independently elected parish official. Certain units of local government over which the Clerk exercises no oversight responsibility, such as the parish police jury, the parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Webster Parish Clerk of Court.

**C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The Webster Parish Clerk of Court's basic financial statements include both government-wide (reporting the funds maintained by the Webster Parish Clerk of Court as a whole) and fund financial statements (reporting the Webster Parish Clerk of Court's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Webster Parish Clerk of Court's activities are categorized as governmental activities. The Webster Parish Clerk of Court does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Webster Parish Clerk of Court's net position are reported in two parts - invested in capital assets, net of related debt, and unrestricted net position. Fiduciary funds are excluded from the government-wide statements.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

The government-wide Statement of Activities reports both the gross and net cost of each of the Webster Parish Clerk of Court's functions. The functions are also supported by general government revenues (certain intergovernmental revenues, interest from deposits, extraordinary items, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while capital grants reflect capital-specific grants.

Program revenues included in the Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from general revenues.

This government-wide focus is on the sustainability of the Webster Parish Clerk of Court as an entity and the change in the Clerk's net position resulting from the current year's activities.

**D. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The Webster Parish Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain clerk functions and activities. A fund is defined as a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The following fund types are used by the Webster Parish Clerk of Court:

*Governmental Funds* – The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Webster Parish Clerk of Court:

**General fund** - the general operating fund of the Webster Parish Clerk of Court. The various fees and charges due to the Clerk's office are accounted for in this fund. General operating expenditures are paid from this fund. It is used to account for all financial resources except those required to be accounted for in another fund.

*Fiduciary Funds* – Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Clerk of Court. The only funds accounted for in this category by the Clerk are agency funds. The agency funds account for assets held by the Clerk of Court as an agent for litigants pending court action. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations; therefore, a Statement of Changes in Fiduciary Net Position is not presented.

The emphasis of fund financial statements is on the major funds in the governmental fund type category. Non-major funds by category are summarized into a single column. GASB Statement

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

No. 34 sets forth minimum criteria (percentage of the assets, deferred inflows/outflows, liabilities, revenues, or expenditures/ expenses of fund category) for the determination of major funds. The general fund is always considered a major fund and is the Clerk of Court's only major fund.

**E. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements, regardless of the measurement focus applied.

*Accrual:* The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

*Modified Accrual:* The governmental funds in the fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. Available means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred and will be liquidated with current financial resources. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, and expenditures related to compensated absences are recognized when due.

**F. BUDGETS**

The proposed budget for the fiscal year is made available for public inspection at the clerk's office at least fifteen days prior to the beginning of the fiscal year. The proposed budget and official announcement of the date of the public hearing is published in the official journal at the same time that the budget is made available for public inspection. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year-end.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in petty cash, demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**H. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the Clerk of Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

Investments are reported at fair value, which is determined using selected bases in accordance with GASB Statement No. 30. Short-term investments are reported at amortized cost, which approximates fair value. Long-term investments, those with original maturities greater than one (1) year, are valued at the last reported sales price at current exchange rates.

**I. CAPITAL ASSETS**

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is recorded on a straight-line basis over the following estimated useful lives:

Buildings improvements	7-10 years
Furniture and equipment	5-10 years
Vehicles	5-10 years

**J. INTERFUND ACTIVITIES**

The General Fund of the Clerk of Court transfers amounts to the Advance Deposit Fund and the Registry of Court Fund for reimbursement of fees and bank charges. The Advance Deposit Fund transfers amounts to the General Fund for the Clerk's portion of fees charged to individual suit deposits. In cases in which the physical transfer of assets has not taken place as of year-end, or in which repayment is expected, the amounts are accounted for through the various due to and due from accounts.

**K. NET POSITION**

Net position represents the difference between assets, deferred inflows/outflows and liabilities. Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Clerk of Court, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Clerk of Court's policy is first to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**L. FUND BALANCES**

The Clerk of Court implemented the provisions of Governmental Accounting Standards Board Statement 54, which redefined how fund balances are presented in the fund financial statements. In the fund financial statements, fund balances are classified as follows:

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of state or federal laws, or externally-imposed conditions by grantors or creditors.

Committed - Amounts that can only be used for specific purposes determined by a formal action of the Clerk of Court. These amounts cannot be used for any other purpose unless the Clerk of Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.

Assigned - Amounts that are designated as committed by the Clerk of Court but are not spendable until a budget ordinance is passed.

Unassigned - All amounts not included in other spendable classifications. The Clerk has not adopted a policy to maintain the General Fund's unassigned fund balance above a certain minimum level.

The total fund balance of \$471,402 as of June 30, 2014 was unassigned. When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Clerk considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk has provided otherwise in commitment or assignment actions.

**M. COMPENSATED ABSENCES**

Full-time employees of the Clerk of Court earn 10 days of vacation each year and an additional 1/2 day each year after 5 years of service. Sick leave is granted to full-time employees each year. Ten days of sick leave are allowed. Neither vacation nor sick leave can be accumulated from year to year. Upon termination of employment, payment for unused vacation leave is made at the employee's current rate of pay. Employees are not compensated for unused sick leave upon separation of service. Part-time employees are not entitled to vacation or sick leave.

At June 30, 2014, employees of the Clerk of Court had accumulated and vested \$12,843 of employee leave benefits, which was computed in accordance with GASB Codification Section C 60. This amount is recorded as a current liability in the government-wide financial statements since unused accrued vacation is forfeited on January 1<sup>st</sup> of each year.

**N. USE OF ESTIMATES**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

**O. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the Statement of Net Position. In the fund financial statements, the face amount of the debt is reported as other financing sources.

**P. RISK MANAGEMENT**

The Clerk of Court is exposed to various risks of loss, including those related to torts, theft, damage, destruction of assets, errors, omissions, injuries to employees, and natural disasters. The Clerk of Court maintains insurance to cover such risks, and the Clerk believes that this insurance is sufficient to cover any settlements.

**2. CASH AND CASH EQUIVALENTS**

The following is a summary of cash and cash equivalents (book balances) at June 30, 2014:

	Governmental <u>Activities</u>	Fiduciary <u>Funds</u>
Demand deposits	\$ -	\$ 581,372
Interest-bearing demand deposits	212,937	-
Petty cash	<u>100</u>	<u>-</u>
Total	\$ <u>213,037</u>	\$ <u>581,372</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must be at all times at least equal to the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2014, the Clerk of Court had \$1,239,607 in deposits and certificates of deposits (collected bank balances). These deposits are secured from risk by \$741,341 of federal deposit insurance and \$502,615 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Although the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Clerk that the fiscal agent has failed to pay deposited funds upon demand.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

**3. INVESTMENTS**

At June 30, 2014, the Clerk of Court had investments totaling \$375,000 in Certificates of Deposit. The Clerk of Court's investments in certificates of deposits are categorized as insured securities held by the Clerk of Court or its agent in the Clerk of Court's name. Certificates of deposits are secured from risk by federal deposit insurance and pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**4. RECEIVABLES**

Receivables of \$23,726 at June 30, 2014, consist primarily of various fees and charges for services rendered. The Clerk of Court considers substantially all accounts receivable to be fully collectible; accordingly, an allowance for doubtful accounts is not required. If amounts become uncollectible, they are charged to operations when that determination is made.

**5. INTERFUND RECEIVABLES/PAYABLES**

Interfund receivables/payables of the Clerk of Court consisted of the following as June 30, 2014:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 27,767	\$ -
Agency Funds:		
Advance Deposit Fund	<u>-</u>	<u>27,767</u>
Totals	\$ <u>27,727</u>	\$ <u>27,767</u>

The above amounts represent the Clerk of Court's portion of fees charged to individual suit deposits.

**6. DUE TO/FROM OTHER GOVERNMENTAL UNITS**

Amounts due to/from other governmental units at June 30, 2014 consisted of the following:

	<u>Due From</u>
State of LA – Juvenile Non-Support Fund	\$ 1,617
Webster Parish Sheriff's Department	700
City of Minden	270
City of Springhill	25
Webster Parish Sales Tax Commission	120
Webster Parish Tax Assessor	<u>18</u>
Total	\$ <u>2,750</u>



WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

**7. EXCESS FUND BALANCE**

Louisiana Revised Statute 13:785 requires that every four years (at the close of the term of office), the Clerk of Court must pay the parish treasurer the General Fund balance that exceeds one-half of the revenues of the Clerk's last year of term of office but limited to amounts received by the Clerk of Court under LRS 13:784(A). At June 30, 2014, there was no amount due to the parish treasurer, as this was not the last year of the Clerk's four-year term of office.

**8. LITIGATION AND CLAIMS**

As of June 30, 2014, the Webster Parish Clerk of Court was not involved in litigation.

**9. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2014, was as follows:

<u>Governmental Activities</u>	<u>July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2014</u>
Equipment	\$ 317,989	\$ 4,051	\$ -	\$ 322,040
Furniture and fixtures	122,260	-	-	122,260
Automobile	29,575	-	29,575	-
Capital assets at historical cost	469,824	4,051	29,575	444,300
Less accumulated depreciation:				
Equipment	(266,275)	(22,099)	-	(288,374)
Furniture and fixtures	(122,261)	-	-	(122,261)
Automobile	(22,671)	(2,966)	25,637	-
Total accumulated depreciation	(411,207)	(25,065)	25,637	(410,635)
Net Capital Assets	<u>\$ 58,617</u>	<u>\$ (21,014)</u>	<u>\$ (3,938)</u>	<u>\$ 33,665</u>

Depreciation expense of \$25,065 was charged to the general government function in the Statement of Activities.

**10. LEASES**

The Clerk of Court records items under capital leases as an asset and an obligation in the accompanying financial statements.

During the fiscal year, the Webster Parish Clerk of Court terminated one capital lease for an automobile with an original gross cost of \$27,570 with an interest rate of 5.50%.

The Webster Parish Clerk of Court maintains various operating leases for office equipment. The rental expenditures incurred for the year ended June 30, 2014 under these leases amounted to \$9,865.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

The future minimum rental payments under operating leases are as follows:

	Governmental Activities
2015	\$ 8,807
2016	8,333
2017	<u>4,167</u>
Total	<u>\$ 21,307</u>

## 11. LONG-TERM OBLIGATIONS

The following is a summary of long-term debt transactions of the governmental activities of the Clerk of Court for the year ending June 30, 2014:

	Capital Lease obligations	Net OPEB obligations	Compensated absences
<u>Governmental activities</u>			
Balance, July 1, 2013	\$ 3,952	\$ 244,119	\$ 14,954
Additions	-	65,015	24,184
Reductions	<u>(3,952)</u>	<u>-</u>	<u>(26,295)</u>
Balance, June 30, 2014	<u>\$ -</u>	<u>\$ 309,134</u>	<u>\$ 12,843</u>
Due within one year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,843</u>

## 12. PENSION PLAN

*Plan Description.* Substantially all employees of the Webster Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

A member or former member hired on or before December 31, 2010, will be eligible for regular retirement benefits if he has twelve or more years of eligible service, is at least age fifty-five, and has terminated his employment. A member or former member hired on or after January 1, 2011, will be eligible for regular retirement benefits if he has twelve or more years of eligible service, is at least age sixty, and has terminated his employment.

Applicants hired on or before December 31, 2010 who are eligible for regular retirement benefits will be paid a monthly benefit using the following accrual rates multiplied by their monthly average final compensation:

- (a) Three percent of his monthly average final compensation, multiplied by the number of years of service credit accrued on and before June 30, 1999.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

- (b) Three and one-third percent of his monthly average final compensation, multiplied by the number of years of service credit accrued on and after July 1, 1999.

Applicants hired on or after January 1, 2011 who are eligible for regular retirement benefits will be paid a monthly benefit equal to three percent of their monthly average final compensation multiplied by the number of years of service credit accrued.

The monthly retirement benefit as calculated above cannot exceed one hundred percent of the member's monthly average final compensation.

Normal retirement benefits are paid for the life of the retiree and, if an optional mode of benefit payment is selected, a benefit reduced from the maximum will be paid to the retiree for life. In addition, monthly benefits, payable upon the death of the retiree, as determined by the option selected at the time of retirement, will be paid to the option beneficiary according to the description of the option selected.

The System also provides death and disability benefits. Benefits are established and amended by State statute.

The System issues an annual publicly-available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana, 70816, or by calling (225) 293-1162.

*Funding Policy.* Plan members are required by state statute to contribute 8.25 percent of their annual covered salary, and the Webster Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 18.50 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Webster Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Webster Parish Clerk of Court's contributions to the System for the years ending June 30, 2014, 2013 and 2012, were \$116,922, \$107,389, and \$103,190, respectively, which equaled the required contributions for the year.

Per R.S. 11:1562(C), the Clerk of Court may elect to pay all or a portion of the contributions required to be made by plan members. Contributions paid on behalf of plan members for the year ending June 30, 2014, were \$49,999.

### **13. DEFERRED COMPENSATION PLAN**

Certain employees of the Clerk of Court's office participate in the Louisiana Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Employees may contribute up to \$17,500 of includible compensation to the plan on a pre-tax basis for calendar year 2014. The Clerk matches up to \$50 per month for each employee. Complete disclosures relating to this statewide plan are included in the separately issued audit report for the plan, available from the

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

Louisiana Legislative Auditor, P. O. Box 94397, Baton Rouge Louisiana, 70804-9397. For the year ending June 30, 2014, employee contributions were \$6,920. Employer contributions were \$4,080.

#### 14. POST RETIREMENT BENEFITS

*Plan Description.* The Clerk's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.

*Funding Policy.* The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT board of trustees. The Clerk pays for the entire premium charged by the LCCA for retirees. Retirees are required to pay 50% of the premium for their dependents. Vision is voluntary and paid 100% by the retiree. The plan is currently funded on a "pay as you go" basis. For fiscal year 2014, the Clerk contributed \$58,928 to the plan and the retirees contributed \$2,459.

*Annual OPEB Cost and Net OPEB Obligation.* For 2014, the Clerk's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Clerk's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	\$ 158,064
Interest on Net OPEB Obligation	8,544
Adjustment to Annual Required Contribution	<u>(12,821)</u>
Annual OPEB Cost (Expense)	153,787
Contributions Made	<u>(88,772)</u>
Increase in Net OPEB Obligation	65,015
Net OPEB Obligation – beginning of year	<u>244,119</u>
Net OPEB Obligation – end of year	\$ <u>309,134</u>

The Clerk's annual OPEB costs, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for the past three years are as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2012	\$ 110,958	53.3%	\$ 175,506
6/30/2013	\$ 154,987	55.7%	\$ 244,119
6/30/2014	\$ 153,787	57.7%	\$ 309,134

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 2014

*Funded Status and Funding Progress.* As of June 30, 2014, the actuarial accrued liability for benefits was \$1,575,742, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$632,229, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 249.2%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

*Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the unit credit cost method was used. Based on the Clerk's short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5.5% after 15 years. The Clerk's unfunded actuarial liability is being amortized on a level dollar, open basis over 30 years.

#### **15. EXPENDITURES OF THE CLERK OF COURT PAID BY THE POLICE JURY**

The Webster Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Webster Parish Police Jury, and it is not included in the accompanying financial statements.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

Budgetary Comparison Schedule - General Fund  
For the year ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Budgetary</u> <u>(GAAP) Basis</u>	<u>Final Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>Revenues</b>				
Fees, charges and commissions -				
Civil suits	\$ 410,000	\$ 410,000	\$ 432,561	\$ 22,561
Juvenile fees	58,000	58,000	54,506	(3,494)
Court attendance	-	-	5,000	5,000
Criminal fees	70,000	70,000	54,276	(15,724)
Notarial fees	500	500	235	(265)
Birth certificates	12,960	12,960	59,795	46,835
Mortgage certificates	8,500	8,500	8,254	(246)
Candidate and election fees	4,000	4,000	5,619	1,619
Copies (certified and photocopy)	120,000	120,000	113,501	(6,499)
Online account services	90,000	90,000	84,503	(5,497)
Fees for recording legal documents -				
Recordings	450,000	470,000	476,250	6,250
Cancellations	35,000	40,000	41,465	1,465
Marriage licenses	8,000	8,000	10,540	2,540
Intergovernmental revenues - Webster Parish Police Jury	16,000	16,000	20,000	4,000
Clerk's supplemental fund	21,000	21,000	21,000	-
Interest earnings on deposits and from Agency Fund	500	500	410	(90)
Miscellaneous	-	-	1,307	1,307
Sale of assets	-	-	21,000	21,000
Total Revenues	<u>1,304,460</u>	<u>1,329,460</u>	<u>1,410,222</u>	<u>80,762</u>
<b>Expenditures</b>				
Personnel services and related benefits	1,027,615	1,056,519	1,055,131	1,388
Travel and professional development	8,500	9,700	11,264	(1,564)
Operating services	104,360	127,750	134,741	(6,991)
Materials and supplies	123,200	205,937	204,706	1,231
Capital outlay	5,000	-	-	-
Capital lease - principal	6,900	5,009	3,953	1,056
Capital lease - interest	-	-	73	(73)
Total Expenditures	<u>1,275,575</u>	<u>1,404,915</u>	<u>1,409,868</u>	<u>(4,953)</u>
Net change in fund balance	28,885	(75,455)	354	75,809
Fund balance at beginning of year	<u>375,000</u>	<u>471,000</u>	<u>471,048</u>	<u>48</u>
Fund balance at end of year	<u>\$ 403,885</u>	<u>\$ 395,545</u>	<u>\$ 471,402</u>	<u>\$ 75,857</u>

See accompanying note to budgetary comparison schedule.

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

*Note to Budgetary Comparison Schedule*  
June 30, 2014

**NOTE 1** - The budget is prepared on a modified accrual basis of accounting except for capital outlays made under capital leases and the corresponding other financing sources that are not included in the budget. Also, noncash revenues and grants and the related expenditures are not included in the budget. For the year ended June 30, 2014, there were no reconciling items between budgetary revenues and expenditures and those determined in accordance with generally accepted accounting principles.

WEBSTER PARISH CLERK OF COURT  
Schedule of Funding Progress for Other Post Employment Benefit Plan  
June 30, 2014

	(a)	(b)	(b-a)	(a/b)	(c)	(b-a/c)
Actuarial	Actuarial	Actuarial				UAAL as a
Valuation	Value of	Accrued	Unfunded	Fund	Covered	Percentage of
<u>Date</u>	<u>Assets</u>	<u>Liability</u> <u>(AAL)</u>	<u>AAL (UAAL)</u>	<u>Ratio</u>	<u>Payroll</u>	<u>Payroll</u>
7/01/2009	\$ -	\$1,475,008	\$1,475,008	0%	\$540,073	273.10%
7/01/2013	\$ -	\$1,575,742	\$1,575,742	0%	\$666,280	236.50%
7/01/2013	\$ -	\$1,575,742	\$1,575,742	0%	\$632,229	249.20%



**JAMIESON, WISE & MARTIN**  
**A Professional Accounting Corporation**

601 Main Street P. O. Box 897  
Minden, Louisiana 71058-0897  
(319) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA      Email [mike@jwmcpa.biz](mailto:mike@jwmcpa.biz)  
CARLOS E. MARTIN, CPA      Email [carlos@jwmcpa.biz](mailto:carlos@jwmcpa.biz)  
KRISTINE H. COLE, CPA      Email [kristine@jwmcpa.biz](mailto:kristine@jwmcpa.biz)

JENNIFER C. SMITH, CPA      Email [jennifer@jwmcpa.biz](mailto:jennifer@jwmcpa.biz)  
KRISTIE K. MARTIN, CPA      Email [kristie@jwmcpa.biz](mailto:kristie@jwmcpa.biz)

WM. PEARCE JAMIESON, CPA (1991)

MEMBERS  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Webster Parish Clerk of Court  
Minden, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Webster Parish Clerk of Court as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Webster Parish Clerk of Court's basic financial statements and have issued our report thereon dated December 17, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Webster Parish Clerk of Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Webster Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Webster Parish Clerk of Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material

weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Webster Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Minden, Louisiana  
December 17, 2014

WEBSTER PARISH CLERK OF COURT  
Minden, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES  
As of and for the Year Ended June 30, 2014

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

The results of our auditing procedures of the basic financial statements as of and for the year ended June 30, 2014, of the Webster Parish Clerk of Court, disclosed no items that are required to be reported in accordance with Generally Accepted Government Auditing Standards (GAGAS).

WEBSTER PARISH CLERK OF COURT  
*Minden, Louisiana*

SUMMARY OF PRIOR YEAR FINDINGS  
As of and for the Year Ended June 30, 2014

**2013-01 – Management Letter - Compliance with bid law requirements**

Origination date: June 30, 2013

Finding: The Clerk of Court unintentionally failed to obtain quotes as required but will ensure that all bid law procedures are followed in the future.

Corrective Action Taken: No similar finding noted for June 30, 2014.